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Reviving King-Harbor

Allow the UC system to operate the hospital under sweeping new procedures.

By Zev Yaroslavsky

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It has been nine months since Los Angeles County was forced to close Martin Luther King Jr.-Harbor Medical Center. After too many years, the problem-plagued institution finally ran out of chances last August when the federal government terminated its funding agreement, without which the hospital could not operate.

Despite the county's eagerness to reopen the hospital -- this time under non-county management -- King-Harbor Hospital is not much closer to reopening today than it was in August. Several factors have conspired to discourage private operators from taking over and reopening it. These include the economics of healthcare (which often deny hospitals adequate reimbursement from federal and state government and private insurers); King-Harbor's poor reputation; the county's arcane hospital governance structure (semi-autonomous hospital administrators reported to downtown senior health managers, with the Board of Supervisors looking over everyone's shoulder) and the financial burden of serving the indigent.

Any one of these factors would be reason enough to dissuade many prospective partners; combined, they make finding one virtually impossible.

Given this, the last, best hope for reopening King-Harbor is a partnership between the University of California and Los Angeles County. The UC system is a powerful statewide public institution that shares the county's mission to serve the poor and indigent. It is not motivated by profit or beholden to shareholders or private investors. Indeed, if the nation's largest public university system can't join with the nation's largest county to resurrect a critically needed hospital at a level of care that meets national standards, who can?

But for this to occur any time soon, the county must remove a number of roadblocks that stand in the way, and the University of California must show uncommon boldness in stepping into the breach. Here is how this partnership could work:

- * The county would lease King-Harbor's hospital and campus on a long-term basis to the University of California in good operating condition for \$1.

- * The Board of Supervisors and the county Department of Health Services would cede the governance and day-to-day management of the hospital to the University of California to operate through one of its campuses. This would be a new paradigm unlike the county's current

arrangement with UCLA, which provides medical staff and clinical oversight at Harbor-UCLA in Torrance and Olive View-UCLA in Sylmar but has no larger administrative responsibility for managing the entire facility.

* Federal and state funds that normally would have been allocated to the county for compensating indigent care at King-Harbor would be directed to the university as its new operator. With its extensive experience in competently operating hospitals -- including those run by UC San Diego and UC Irvine, which function as public hospitals for San Diego and Orange counties -- the UC system should be able to provide the kind of quality care that King-Harbor patients deserve.

* The university would be completely responsible for staffing the hospital, unencumbered by the county's human resources bureaucracy and hiring rules. This system has sometimes inhibited swift reform at King-Harbor and given pause to potential operators fearful of being unable to recruit the most competent staff possible.

* Two hundred and fifty medical residency slots, which the county has preserved for a potential partnership with a new medical school when King-Harbor closed, would be available to help expand the university's medical education program and more broadly serve the community's medical needs.

A takeover of King-Harbor has always posed political and financial risks for any hospital operator. Skeptics may be forgiven for wondering why things would be any different under the University of California. The difference is that neither the county nor the university has ever contemplated this kind of sweeping change for reconstituting the hospital.

With ground rules in place that guarantee the university's independence in running the hospital, and an agreement that ensures it is properly compensated for assuming the county's legal obligation to serve the indigent, the University of California would take over King-Harbor with a clean slate -- free of the burdens of weak management and substandard care that so compromised the hospital's healthcare delivery in the past.

By all conventional measures of personal and public health, the prognosis for residents of South L.A. today is among the most discouraging in the state. At the same time, the countywide health system remains deeply stressed and once again is on the brink of further budget cuts and service reductions that it cannot afford.

Moreover, since last August, additional private hospitals and emergency rooms have closed, further straining the region's capacity to provide for its medical needs. It is at moments like these that even the most calcified bureaucracy can yield to the pressure for reform.

There is now a window of opportunity to reopen King-Harbor, but it won't be available to us forever. Transferring the operation of this hospital and ceding its governance to the University of

California, in exchange for receiving a competently run hospital, are what the county and its clients desperately need.

The stakes could not be higher. The payoff for success is great; the penalty for failure grave; and the timing urgent. Leaders in Sacramento and the County Hall of Administration must summon the political will, courage and acumen to redeem the 35-year-old promise that was once King-Harbor Hospital.

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